

## **GENERAL PURPOSES COMMITTEE: MINUTES**

**Date:** Tuesday, 29th May 2018

**Time:** 10.00a.m. – 11.50a.m.

**Present:** Councillors Bailey, Bates, Bywater, Count (Chairman), Cuffley (substituting for Councillor Criswell), Dupre, Hickford, Hudson, Jenkins, (substituting for Councillor Nethsingha), Meschini, Schumann, Shuter, Whitehead

**Apologies:** Councillors Criswell and Nethsingha

### **81. NOTIFICATION OF CHAIRMAN/WOMAN AND VICE-CHAIRMAN/WOMAN**

The Committee noted that the Council had appointed Councillor Count as the Chairman and Councillor Hickford as the Vice-Chairman for the municipal year 2018-19.

### **82. DECLARATIONS OF INTEREST**

Councillor Schumann declared a disclosable interest under the Code of Conduct in Minute 86, Integrated Resources and Performance Report for the Year Ending 31st March 2018, as a trustee of the Viva Arts and Community Group. He was not present whilst the item was discussed or for the vote.

### **83. MINUTES – 27TH MARCH 2018 AND ACTION LOG**

The minutes of the meeting held on 27th March 2018 were agreed as a correct record and signed by the Chairman. The action log was noted.

### **84. PETITIONS**

No petitions were received.

### **85. FINANCE AND PERFORMANCE REPORT – OUTTURN 2017-18**

The Committee was presented with the Outturn 2017-18 Finance and Performance Report for Corporate Services and LGSS Cambridge Office. The year-end position was an underspend of £1.8m, a slight improvement since the last report due to savings from the new contract arrangements for insurance.

One Member drew attention to the year-end deficit/surplus sharing arrangement with Northamptonshire County Council and Milton Keynes Council for LGSS Cambridge Office. She asked for this information to be clarified. In response, the Chairman acknowledged the need to develop an appropriate insertion to clarify the LGSS traded position, in particular the fact that Cambridgeshire County Council was not beholden to the revenue position of Northamptonshire County Council. **Action Required.**

It was resolved unanimously to review, note and comment upon the report.

## 86. INTEGRATED RESOURCES AND PERFORMANCE REPORT FOR THE YEAR ENDING 31ST MARCH 2018

The Committee received a report setting out the financial and performance information for the financial year 2017/18. The overall revenue budget position was showing a year-end overspend of +£3.96m. This was the second year the Authority had reported an overspend and was in line with expectation throughout the year as detailed in the graph on page 34. However, it was important to note the savings tracker, which detailed the fact that the Council had delivered £27.1m of savings against its original plan. Members were advised that the General Reserve had been replenished.

The Chairman reminded the Committee that the Council had maintained its financial position in the face of additional pressures. If the Council had not taken the actions detailed in the report the overspend would have been considerably more.

The Chairman invited Councillor Schumann to address the Committee before leaving the meeting. Councillor Schumann reported that Viva Arts and Community Group was based in Soham operating in East Cambridgeshire and beyond. The Group was aimed at young people, adults and people with learning disabilities. It currently had a £1.6m project to redevelop Spencer Mill, Soham as a theatre, and social and cultural hub. The charity was requesting a loan from the Council of £150k repayable over 25 years with interest charged at 4% above base rate.

Members were invited to ask questions of Councillor Schumann. In response to whether Viva had any employees, it was noted that Rachael Polsom was employed as an Administrator. One Member queried whether Viva could find a loan with a cheaper interest rate than 4%. Councillor Schumann explained that all avenues had been explored but as a charity the best rate Viva could find was 4%. The charity was not eligible to submit a loan to the Public Works Loan Board. Councillor Schumann then left the meeting for the rest of this item.

In considering the report, individual Members raised the following regarding the performance information and savings tracker:

- requested that the previous figures be included in brackets for the “Number of service users supported by key care budgets” in future iterations. **Action Required.** The Chairwoman of Adults Committee reminded Member that more detail was available in the Adults Committee papers.
- queried what had caused the decrease in the “People lead a healthy lifestyle and stay healthy for longer” outcome. Attention was drawn to Section 6.11 detailing the position of the indicators which made up this outcome. One or two indicators had changed since last month resulting in a change in the scorecard. The Chairman of Health Committee informed Members that the Council had received a grant of £25k for the Active Families Programme in Cambridge City and Fenland, which would help contribute towards this outcome.

- requested more information on the indicator for Health Visiting mandated check at 2-2.5 years. One Member was concerned that these children who did not attend were usually the most vulnerable. She asked what the Council was doing to address this issue. The Head of Business Intelligence was tasked to respond. **Action Required.**
- congratulated the officers in People and Communities on achieving revenue savings of £16.8m without cutting services and in the face of increasing demand.

### **Balance Sheet**

One Member expressed concern about the information available to support the request from Viva for a loan of £150k. She reported that she was a member of the Innovate and Cultivate Fund Bid Assessment Panel which looked at applications for funding, to save the Council money, at a much lower level. She explained that she received considerably more paperwork for these applications compared to the information provided for Viva. She drew attention to the fact that the project had risen from £600k to £1.6m and included funding provided by many other organisations. It was therefore a very complex project and an unusual request to the Council.

The same Member queried how many loans of a similar nature had been made to the Council and been approved or turned down. She also queried whether there was a process for dealing with such loans in order to compare and prioritise. She was concerned that she did not have the depth of information available to make a decision and therefore would rather see this proposal come back to the Committee as a business case and an analysis of where it sat in the process.

The Chief Finance Officer (CFO) reported that there had only been one other similar loan in the last five years to the Arthur Rank Hospice Charity. It was important to note that this was a different grant process, as it was a Treasury Loan rather than a loan from the revenue budget. Although, there was a margin which would provide an upside for the revenue budget. All such loans were secured against an asset, and considered on a case by case basis. He had received a business case and the finances of the charity, which were available to the committee on request.

The same Member queried why the cost of the project had risen from £600k to £1.6m. The CFO reported that the loan request was for £150k. The Chairman added that officers had received the business case for a specific loan against the current project proposal. It was not their role to look into how a project had evolved over time. He drew attention to Section 11.4 which set out the views of the CFO. He was content to accept the recommendation of the CFO which was based on significant documentation. Another Member commented that the approval of this loan would set a precedent. He queried whether there would be information on the Council's website to enable other organisations to apply. The Chairman pointed out this was a commercial loan not a grant and the Commercial and Investment Committee would embrace well secured loan applications especially from socially beneficial projects. A process was being drawn up which could then be published.

## **Capital Programme**

One Member queried why the Ely Southern Bypass was £13m overspent. In acknowledging the popularity of the project, he was concerned that it had been started before the Stage 2 assessment. He asked who had taken the decision and why, and questioned whether speed had taken precedence over the need for more comprehensive work. The Chairman drew attention to the fact that there was a clear audit trail involving a working group and Economy and Environment Committee (E&E Committee).

The Chairman of E & E Committee informed Members that the recommendation for additional funding had been discussed in detail at E & E Committee and had received unanimous support. He reminded Members that the ground conditions in this area were not perfect. The Contractor had therefore needed to drill down much further than expected. There had also been problems with electrical cabling. He reminded the Committee of the benefits of the project which was supported by the residents of Ely and the surrounding area. The technical information was available from the officers on request.

Another Member felt that inappropriate pressure had been put on officers to accelerate the scheme before the risks had been identified. He acknowledged that the Ely Southern Bypass was a good project and that the County Council was the lender of last resort. However, he was of the view that Councillors on the project board had acted beyond their powers to achieve the quickest possible delivery. He therefore asked for the following to be removed from the report for clarity "...and the requirement for the quickest possible delivery."

The Chairman asked the Service Director for Strategy and Development whether the Phase 2 Assessment would have predicted the same the overall cost. The Service Director confirmed that was the case. One Member acknowledged that the total cost might not have changed but where the funding could have been sought from might have. The Chairman stated that he was glad the project had moved ahead for the economic development of the area.

Speaking as a Local Member, Councillor Bailey, reported that she was acutely aware of the problems around Ely based on an inappropriate road layout. The Council had not rushed into a decision to build the Ely Southern Bypass, as it had been consulted and talked about for the last 20 years. It was a different type of contract rather than a fixed price contract, which would have delayed the scheme for a year resulting in increased costs. She acknowledged that there were always lessons to be learnt from a big capital scheme. However, this pay gain contract meant that the contractor was also responsible for some of the costs. The total cost of the project was £49m. When Cabinet approved the scheme in 2011, it had agreed that £28.7m would be underwritten by the Council. The cost to the Council was now only £21m, as funding had been provided by the Local Enterprise Partnership, Network Rail and East Cambridgeshire District Council. It was important to note that it would have been untenable for local residents and for the economic development in the area for no action to have been taken. She

commented that she was taking action on the three month delay regarding electrical cabling.

Attention was drawn to the £1.2m underspend for the Guided Busway, one Member requested a more detailed explanation for this and the funding being projected for maintenance in the future. The Service Director for Strategy and Development reported that this funding related to the Land Compensation Act where people whose land was not taken for the project could apply one year after the introduction of the scheme for loss of value. Funding was available in the capital budget to manage this process. He informed the Committee that £1.1m was available this year for repairs to the Busway. It was noted that the cost of any repairs to defects would be met by the contractor.

It was resolved unanimously to:

- a) Note the Council's year-end resources and performance position for 2017/18.

It was proposed by Councillor Dupre, and seconded by Councillor Jenkins, to defer recommendation b) until the next meeting of the Committee pending a fuller report.

During discussion, the Chairman asked whether a delay would cause the charity any difficulties. The CFO reported that the deficit was currently being covered by a loan from an individual which was not time limited. He added that he was satisfied that due diligence had been observed. One Member commented that she knew the asset and that the project would be exciting for local people. She was satisfied with the recommendation from the CFO that it was a sound financial proposal based on a robust business plan.

One Member queried whether this facility would be made available to other organisations. The Chairman encouraged applications to be made in future. However, he suggested that they needed to be for large sums of money to be more useful to the Council. Another Member whilst acknowledging that it was a great project was concerned that he had only just been informed of the increase in the total cost of the project to £1.6m. Members were reminded that the investment was secured against an asset and that the loan was for £150k. One Member asked whether a link to the business case could be provided for future loans.

On being put the vote, the amendment was lost.

It was resolved to:

- b) Approve a loan to Viva for £150k (repayable over 25 years) for capital expenditure on the Soham Mill project, see section 11.4.

It was resolved unanimously to:

- c) Approve the use in cash flow terms of £11,793k Greater Cambridge Partnership funding for schemes across the capital programme to postpone prudential borrowing, additional prudential borrowing required to

offset the use of £533k Growth Deal and £663k Growing Places funding, and the resulting reduction of £10,596k in the prudential borrowing requirement, see section 13.8.

- d) Approve the use in cash flow terms of £4,983k Growing Places funding for schemes across the capital programme to postpone prudential borrowing, and the resultant reduction in the prudential borrowing requirement, see section 13.8.

It was resolved to:

- e) Approve additional prudential borrowing of £13m in future years for the completion of the Ely Southern Bypass scheme, see section 13.10.

It was resolved unanimously to:

- f) Approve the allocation of £1,453k (Adult Social Care Support Grant 2018-19) to the People & Communities directorate in 2018-19, see section 14.2.
- g) Note the changes to capital funding requirements as previously recommended in the February report, set out in Appendix 3.
- h) Approve additional prudential borrowing of £132,000 in 2017/18 to offset the increased use of capital receipts for additional capitalisation of redundancies, as previously recommended in the February report (but reduced by £6k from the previous £138k additional funding reported in February). See Appendix 3.

In conclusion, the Chairman thanked officers in the organisation for dealing with a tough year and working hard to bring the overspend down. Councillor Schumann returned for the next item.

## **87. CAMBRIDGESHIRE PUBLIC SERVICE NETWORK EASTNET RE-PROCUREMENT**

The Chairman informed the Committee that the report contained a confidential appendix which identified the successful bidder and summarised each bidder submission. If the Committee wished to discuss the confidential appendix, it would be necessary to exclude the press and public.

The Committee considered a report setting out the process that had been followed to procure a replacement framework contract for the Cambridgeshire Public Service Network (CPSN), now called EastNet. This framework provided broadband connectivity for the Council and a range of partners. Members were informed of the end of the procurement process and the recommended plan for implementation post award. It was noted that the Council was required by the Public Contract Regulations (PCR) 2015 to notify all bidders (successful and unsuccessful) during a standstill period. To ensure that the Council did not breach PCR 2015, it did not want others to know this during the standstill period which was why this information was within a confidential appendix.

One Member commented that whilst he had every confidence in officers, he would have welcomed more information comparing and contrasting the bidders against the same criteria in the confidential appendix. The Chairman acknowledged the need to provide a link to the scoring matrix in future reports.

It was resolved unanimously to:

- Note the plan for implementation post award;
- Approve the recommendation to award to the successful bidder for the price set out in the Confidential Appendix.

## **88. CAMBRIDGESHIRE COUNTY COUNCIL CHILDREN'S SERVICES' IT SYSTEMS**

The Committee received an update on the implications of changes in Children's Services to the IT systems that support this service. The Service Director: Children's Services and Safeguarding reported that the Children and Young People Committee when considering a report on changes to the service had taken into account evidence from the Ofsted focused visit, research from Oxford Brookes University regarding the high number of children in care, and the peer review of the joint Front Door arrangement.

He explained that the current structure was not sufficient, as the County Council had 700 children who were spending longer in care. The Council therefore needed to make changes to the way it configured Children's Services, which included IT. It was noted that Children's Services in Cambridgeshire and Peterborough currently used different systems. However, in order to work more closely together and to meet the recommendations identified in the Multi Agency Safeguarding Hub review, both authorities needed to use the same system.

In considering the report, individual Members raised the following:

- queried how IT would relieve the blockage. It was noted that the current IT system was old and had been configured in the past to meet the Council's needs. However, given the changes in Children's Services, the system would need to be reconfigured. The Service Director: Children's Services and Safeguarding explained that it was challenging to get effective management information out of the current system in relation to which children were not progressing.
- queried why IT was stopping children being moved out of care. The Service Director: Children's Services and Safeguarding reported that the Council had a large number of children in care. It therefore needed to run reports to identify where children were being delayed. The current generic approach to children's services made this difficult to segment.
- queried the problem with the new MOSIAC system. One Member commented that a compelling case had been made in the past for a joint children's and adults system. She was frustrated that the system was not

live yet. She acknowledged that the authority was moving in a different direction and that the Council could not look at system specific needs. She would therefore have to accept the advice of officers for the need for change. However, she stressed the need for this new system to help front line services for residents. The Service Director: Children's Services and Safeguarding explained that MOSIAC worked well for Adults Services particularly in relation to integration with Health, and would be the system of choice for the two authorities. However, the case for Children's Services had not yet been made hence the need to consider the procurement of an aligned system for both authorities. He commented that a reconfigured MOSIAC system might be the best system.

- expressed concern about the contract expiry date of 2021. The Director of Corporate and Customer Services explained that the contract could be extended by two years for Adults. She added that this timescale was one of the reasons why both authorities were looking at the common IT needs for Children's Services at this stage.
- queried the likelihood of significant changes in IT in the next five years. The Service Director: Children's Services and Safeguarding reported that it was a small market with two large market leaders in Children Information Systems. The Director of Corporate and Customer Services added that the authorities could keep configuring and developing the system during the lifetime of the contract.
- queried the benefits of approving £2.74m capital for changes to IT systems for Children's Services. The Director of Corporate and Customer Services reported that the business case set out that it would better enable processes to take place. An effective system used by all staff would remove delays. She explained that there was a significant amount of information available behind the finances which could be made available to the Committee. One Member asked for future reports to include simple bullet points detailing what would happen if the Council approved a recommendation. Another Member commented that the Council needed a system which would enable officers to manipulate individual characteristics in order to target services and get children through the system quicker. The Chairman of Children and Young People Committee (CYP Committee) acknowledged this point. He explained that CYP Committee had been through this in detail. He reminded the Committee that the recommendation was about having children in care for the shortest time possible. The Chairman added that this reflected the direction of an outcome focused council.

It was resolved unanimously to:

- Note the content of the report;
- Approve the provision of £2.74m capital, funded through prudential borrowing, to support the proposed changes to IT systems for Children's Services; and



- Delegate authority to the Director of Corporate and Customer Services, in consultation with the Chairman of General Purposes Committee,
  - to determine whether contract variation negotiations have been successful and to authorise entering into the deed of variation with the existing supplier;
  - to award a new contract to a supplier through the procurement framework for local authority software applications RM1059 for an IT system for Children's Services for Cambridgeshire County Council that can be aligned with Peterborough City Council, subject to appropriate approvals within Peterborough City Council.

## 89. SINGLE EQUALITY STRATEGY 2018

The Committee was asked to consider the Single Equality Strategy 2018-2022. Attention was drawn to the background and the requirement for the Council to prepare and publish equality objectives at least every four years. The Constitution required that the Strategy be adopted by Full Council. Given the importance of this work, it was proposed to expend Member involvement. Officers were also working on how this work could be shared with Peterborough City Council to reflect shared service work.

One Member raised the need to see current and future projects linked to the aims reflected in the Strategy such as equal pay. The Director of Corporate and Customer Services reported that there was a draft action plan which identified actions to deliver the objectives of the strategy. The expanded Member working group would have a key role in the delivery of the strategy. It was agreed that the draft action plan should form part of the documents for Council. **Action Required.**

Another Member asked whether Peterborough City Council had a strategy. It was noted that discussions would take with the City Council to see how both strategies could be brought together. The Chairman added that he hoped the City Council would adopt a favourable approach in the medium to longer term. One Member asked how work regarding community leadership would be progressed. The Chairman reported that it would be embedded within Communities and Partnership Committee with the Area Community Champions taking a lead role.

It was resolved unanimously to:

- To endorse the Single Equality Strategy 2018-2022 and recommend its adoption by Full Council;
- To support the recommendation to set up an expanded Member working group, that would replace the existing Council Diversity Group, to consider how the strategy could be developed.

## **90. TREASURY MANAGEMENT QUARTER FOUR**

The Committee considered the fourth quarterly update on the Treasury Management Strategy 2017-18, approved by Council in February 2017. Members were reminded that there had been an underspend in the treasury function. Attention was drawn to the loans made to This Land Limited, as the sale did not take place until April there would be two separate transactions. The CFO reported that he would pick up where funding to charitable organisations sat in the Strategy and report back to Committee. **Action Required.**

He commented that it was unclear when there would be a rise in interest rates but he expected one during the calendar year. He drew attention to the graph on page 113 detailing the maturity of borrowing. There was considerable doubt about short term loans and whether the Council needed to transfer funding to fix term. He explained that the Council tried to minimise the revenue impact of loans by smoothing out the debt. However, this was difficult given the fact that short term loans were currently cheap. The Chairman acknowledged the need to balance risk and cost and asked to discuss the issue in more detail with the CFO. **Action Required.**

It was resolved unanimously to note the Treasury Management Quarter Four Report for 2017-18 and forward to full Council to note.

## **91. CONSTITUENT COUNCIL CONSENT FOR BUSINESS RATES SUPPLEMENT ORDER AND DEVOLUTION OF ADULT EDUCATION POWERS FOR THE CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY**

The Committee was asked to consider the consents delegated to the Combined Authority in respect of the Business Rates Supplement Order (BR) and the devolution of powers in respect of Adult Education Budget (AEB). It was noted that both these powers were part of the original devolution deal. The Committee was advised that 2.3.3 should also include "social priorities".

Members were informed that there were no plans for the BR to be utilised. The Chairman confirmed this and informed the Committee that the Combined Authority needed to have a specific project, including transport schemes, on which to consult the business community to see if it would pay. The CFO added that it would operate like business improvement districts.

One Member queried the arrangements the Combined Authority had for implementing the AEB. The Chairman reported that the first year would be in shadow form with the Combined Authority consulting organisations.

It was resolved unanimously to:

delegate to the Deputy Chief Executive, in consultation with the Chairman of General Purposes Committee, the ability to give consent on behalf of the County Council to the making of regulations under the Local Government Act 2003 Part 1 contained in the two 'Draft' Statutory Instruments attached

(Appendix 2 and Appendix 4), including acceptance to any minor changes to the same which do not alter the substantial meaning.

**92. GENERAL PURPOSES COMMITTEE AGENDA PLAN, TRAINING PLAN AND APPOINTMENTS TO OUTSIDE BODIES, INTERNAL ADVISORY GROUPS AND PANELS, AND PARTNERSHIP LIAISON AND ADVISORY GROUPS**

The Committee considered its agenda plan, training plan and appointments to outside bodies, internal advisory groups and panels, and partnership liaison and advisory groups. During discussion, one Member raised the need for the New Ragged School Trust to be removed as it had now been wound up. It was also noted that the membership of the St Neots Master Plan Steering Group had been reversed.

It was resolved unanimously to:

- (i) review its agenda plan attached at Appendix 1;
- (ii) review its training plan attached at Appendix 2:
- (iii) agree the appointments to outside bodies as detailed in Appendix 3;
- (iv) agree the appointments with a white background and in bold italics, and continue to refer appointments to the other internal advisory groups and panels, as detailed in Appendix 4, to the relevant policy and service committee.
- (v) agree the appointments with a white background and in bold italics, and continue to refer appointments to the other partnership liaison and advisory groups, as detailed in Appendix 5, to the relevant policy service committee.

Chairman